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Attorneys for National Bank of Commerce

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
AMARILLO DIVISION**

IN RE:)	
BORGER PROPERTIES, INC.)	Case No. 10-20168-rlj11
Debtor)	
)	Jointly Administered Under
)	Case No. 10-20166-rlj11

MOTION TO RENEW AND EXTEND LOANS

NOW COMES, NATIONAL BANK OF COMMERCE, a/k/a FIRST NATIONAL BANK ("NBC") and files this Motion to Renew and Extend Loans, and would show the Court as follows:

1. On the 7th day of October, 2009, NBC loaned Debtor \$1,010,000.00, bearing interest at the rate of Wall Street Journal Prime plus $\frac{3}{4}$ of 1% with a floor of 6% per annum ("loan #923032"). Loan #923032 matured on May 1, 2010. The principal balance currently due on the note is \$992,416.92, including post petition advances authorized by the court. Interest earned through May 19, 2010 is in the amount of \$17,388.82, plus a daily accrual of interest in the amount of \$163.14 is due at this time.
2. On the 15th day of May, 2008, NBC loaned Debtor \$3,638,457.00, bearing interest at the rate of Wall Street Journal Prime plus $\frac{3}{4}$ of 1% with a floor of 6% per annum ("loan #921244"). Loan #921244 matured on May 1, 2010. The principal in the amount of \$3,638,457.00, earned interest through May 19, 2010 in the amount of \$92,705.88, plus a daily accrual of interest in the amount of \$598.10 is due at this time.
3. The renewals of these loans are necessary to allow time for Debtor to reorganize and continue to complete construction of the motel which is the major asset of Debtor. NBC agrees to renew loan #923032 on the following basis: The principal amount of the loan, plus all interest owing as of the date of the renewal shall be renewed and extended until September 15, 2010. Said sum shall bear interest at the rate of Wall Street Journal Prime plus $\frac{3}{4}$ of 1% with a floor of 6% per annum. NBC agrees to renew loan #921244 on the following basis: The principal amount of the loan, plus all interest owing

as of the date of the renewal shall be renewed and extended until September 15, 2010. Said sum shall bear interest at the rate of Wall Street Journal Prime plus $\frac{3}{4}$ of 1% with a floor of 6% per annum.

4. Said loans are secured by Security Agreement interests in inventory, equipment, general intangibles, deposit accounts and assignments of rentals and by Deed of Trust liens on the real property, and improvements thereon, described as follows:

A 2.280 acres tract out of the 12.120 acre Borger Church of God building site subdivision located on the South Side of Texas Highway No. 136, on the West side of Borger, Hutchinson County, Texas, described as follows:

Commencing at the Northeast corner of the 12.120 acre tract, a found 3/8" re-bar corner, which is located 2,666.60 feet - S 89° 38' W and 930.40 feet - S 00° 06' E from the found 2" iron pipe established for the Northeast corner of Section No. 23, Block No. "Y", Arnold and Barrett Survey, in the City of Borger, Hutchinson County, Texas; and Northeast Subdivision corner being on the South right-of-way line of Texas State Highway No. 136;

THENCE S 53° 47' 05" W, along the South right-of-way line of Texas State Highway No. 136, for a distance of 355.60 feet to a point of beginning, a set 3/8" re-bar, and the Northeast corner of this description:

BEGINNING at that described point, thence, S 57° 47' 05" W, along the State Highway right-of way for a distance of 165.35 feet to set 3/8" re-bar corner, the Northwesterly corner of this survey and this description;

THENCE S 36° 12' 55" E, for a distance of 713.99 feet to a found re-bar corner for the Southeast corner of the 12.120 acre subdivision; said corner being in the North right-of-way line of Roosevelt Street, and the most Southerly corner of this description;

THENCE N 00° 06' 00" W, for a distance of 280.53 feet along the West line of the 12.120 subdivision to a set 3/8" rebar corner;

THENCE N 36° 12' 55" W, for a distance of 487.37 feet to the point of beginning.

Said description contains 2.280 acres, more or less, and lies within the boundaries of the original 12.120 acre Borger Church of God building site, recorded September 12, 2005, as Slide 767, in the Plat Records, Hutchinson County, Texas.

5. NBC would show that it is in the best interest of the estate for the Court approval of the renewal and extension of loan #923032 and loan #921244 on the terms described herein with the extended loans to be secured by any existing Deeds of Trust and Security Agreement interests or liens securing said notes in the same priority that presently exists.

6. NBC would show that this renewal of loans #923032 and #921244 as described herein is essential to Debtor's reorganization, that said loans and the liens securing the same are currently a matter of record and, to a degree, confirmed by Order of this Court and that no notice of this Motion is necessary.

Wherefore, premises considered, Debtor prays that the Court approve this Motion to Renew and Extend Loans and for such other and further relief as is just.

Respectfully submitted,

BARRAS & BUNKLEY

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(806) 372-2552; (806) 372-5105

By: 

THOMAS A. BUNKLEY, JR.

State Bar No. 03345000

Agreed:

Borger Properties, Inc.

By: 

Bill Kinkead, Attorney for Debtor

CERTIFICATE OF SERVICE

I, THOMAS A. BUNKLEY, JR., hereby certify that a true and correct copy of the foregoing instrument has been placed in the United States Mail, this the 28th day of May, 2010, addressed to the following:

Harish L. Patel and Preyesh Kumer

% David M. Jones

% Harley D. Caudle

Sprouse, Shrader, Smith, P.C.

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THOMAS A. BUNKLEY, JR.

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